

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7451

BILL NUMBER: HB 1434

DATE PREPARED: Mar 24, 1999

BILL AMENDED: Mar 23, 1999

SUBJECT: Registration of solicitors and fundraisers.

FISCAL ANALYST: Susan Preble

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FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill provides that a customer's telecommunications provider may not be changed unless the customer's change order has been confirmed in writing, through an electronic authorization, by a qualified and independent third party, or through another procedure approved by the Indiana Utility Regulatory Commission.

It provides that the statute does not apply to commercial mobile radio service.

It specifies that a charitable organization that resells used clothing or household items is not subject to the registration and reporting requirements for professional fundraiser consultants and professional solicitors.

It requires a professional solicitor to submit the following information to the Consumer Protection Division of the Office of the Attorney General after a solicitation campaign has ended: (1) the total gross amount of money raised by the professional solicitor and the charitable organization; (2) the total amount of money paid to or retained by the professional solicitor; (3) the total amount of expenses paid by the charitable organization, excluding money paid to the professional solicitor; and (4) the total amount of money paid to or retained by the charitable organization, after expenses and money paid to the professional solicitor are deducted.

It provides that the Consumer Protection Division may deny or revoke the registration of a professional solicitor who fails to submit this information after the end of a campaign.

It provides that at the beginning of each solicitation call, a professional fundraiser consultant or a professional solicitor must state: (1) the name of the company for which the call is being made; (2) the name of the professional fundraiser consultant or professional solicitor; (3) the phone number and address of the location from which the call is being made; and (4) the percentage of the charitable contribution that will be expended for charitable purposes, after administrative costs and the costs of making the solicitation have

been satisfied.

It provides that the Attorney General may impose fines on professional fundraiser consultants and professional solicitors for the late filing of reports.

Effective Date: July 1, 1999.

Explanation of State Expenditures:

Explanation of State Revenues: (Revised) Currently, there are approximately 250 registered professional fundraisers and solicitors. The fee to apply for a registration or to annually renew a registration is \$50. In FY 1998, \$14,050 in registration fee revenue was collected by the Attorney General. To the extent that the Consumer Protection Division denies or revokes the registration of a professional solicitor, revenue to its dedicated fund could decrease because the \$50 registration or renewal fee will not be collected from a fundraiser or solicitor who fails to file the required end of campaign report.

Revenue to the Common School Fund will increase if the Attorney General imposes fines on professional fundraiser consultants and professional solicitors for the late filing of reports. Criminal fines are deposited in the Common School Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Office of the Attorney General; Utility Regulatory Commission; Office of the Utility Consumer Counselor

Local Agencies Affected:

Information Sources: J.D. Lux, Office of the Attorney General, (317) 233-8438; *FY 1998 Indiana Handbook of Taxes, Revenues, and Appropriations*, p.123-124; Nikki Shoultz, General Counsel, Utility Regulatory Commission, (317) 232-0158; Anthony Dzwonar, Office of the Utility Consumer Counselor, (317) 233-2747.